AN ORDINANCE BY COUNCILMEMBER CARLA SMITH

AN ORDINANACE AUTHORIZING THE MAYOR TO REVISE **EXISTING** "GLENVIEW DRIVE" TRANSMISSION EASEMENT WITH THE GEORGIA POWER COMPANY SO AS TO CREATE A NEW EASEMENT THAT WILL INCLUDE AN AREA BELOW THE EXISTING EASEMENT TO BE USED FOR THE CONSTRUCTION, HOUSING, AND MAINTENANCE OF A NATURAL GAS PIPELINE; AND DIRECTING THAT THE REVISED EASEMENT BE LOCATED ON CITY OWNED PROPERTY AT GLENVIEW DRIVE, ATLANTA IN LAND LOT 249 OF THE 14TH DISTRICT, FULTON COUNTY, GEORGIA; AND AUTHORIZING THAT THE CITY ACCEPT A PAYMENT OF \$800 FROM GEORGIA POWER COMPANY IN EXCHANGE FOR RECEIVING THE EASEMENT, WHERE SAID FUNDS SHALL BE DEPOSITED INTO FDOA NO. 5051.000002.3890033 -Non-recurring Revenue; AND FOR OTHER PURPOSES.

WHEREAS, Georgia Power Company has a plant located in Cobb County that utilizes, in part, two coal-fired generating units for electricity production; and

WHEREAS, some of this electricity is provided to the City of Atlanta; and

WHEREAS, Georgia Power Company wants to replace the coal-fired units with three natural gas-fired units; and

WHEREAS, from an environmental viewpoint, the new natural gas units will emit significantly less greenhouse emissions than the current levels being emitted by the coal units, and will provide a five-fold increase in electric energy; and

WHEREAS, in order to produce the natural gas units, Georgia Power Company must install a 30-inch diameter underground natural gas pipeline ("Pipeline"), part of which will pass through the City of Atlanta; and

WHEREAS, the Georgia Power Company currently has a transmission easement for its electrical towers at Glenview Drive in Atlanta, located in Land Lot 249 of the 14<sup>th</sup> District of Fulton County, Georgia, and has requested to revise the existing transmission easement to include a new area for the construction, housing, and maintenance of the Pipeline. This new easement is more particularly described as shown on exhibit "A" which is attached hereto ("Revised Easement"); and

WHEREAS, the Revised Easement will be permanently granted to the Georgia Power Company; and

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WHEREAS, the Office of Enterprise Assets Management has recommended that the City grant the Revised Easement, and it is in the best interest of the City to grant the Revised Easement to the Georgia Power Company.

## THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS as follows:

**SECTION 1:** The Mayor, on behalf of the City, be and is hereby authorized to grant the Revised Easement, located in Land Lot 249 of the 14<sup>th</sup> District of Fulton County, Georgia to the Georgia Power Company, for the construction, housing and maintenance of a Natural Gas Pipeline. The Revised Easement shall be permanent.

SECTION 2: Georgia Power Company has obtained an independent appraisal of the value of the Revised Easement, and it has been appraised at \$800.00. Georgia Power Company has agreed to pay the City \$800.00 in exchange for the City's granting the Revised Easement to Georgia Power Company. The Mayor, on behalf of the City, is hereby authorized to accept said payment and have it deposited into FDOA NO. 5051.000002.3890033 – Non-recurring Revenue.

**SECTION 3:** The Director of the Office of Enterprise Assets Management is authorized to review and approve the terms and conditions of the Revised Easement.

**SECTION 4:** The City Attorney is hereby directed to review and approve the terms and conditions of the Revised Easement, and is authorized to approve the Revised Easement as to form.

**SECTION 5:** This Revised Easement will not become binding upon the City, and the City will incur no liability under it until it has been attested to by the Municipal Clerk, executed by the Mayor, and delivered to the Georgia Power Company.

**SECTION 6:** All Ordinances and parts of ordinances in conflict herewith shall be waived for the purposes of this ordinance only, and only to the extent of said conflict.

**Part II: Legislative White Paper:** (This portion of the Legislative Request Form will be shared with City Council members and staff)

### A. To be completed by Legislative Counsel:

Committee of Purview: Community Development/ Human Resources

Caption: AN ORDINANACE AUTHORIZING THE MAYOR TO REVISE THE EXISTING "GLENVIEW DRIVE" TRANSMISSION EASEMENT WITH THE GEORGIA POWER COMPANY SO AS TO CREATE A NEW EASEMENT THAT WILL INCLUDE AN AREA BELOW THE EXISTING EASEMENT TO BE USED FOR THE CONSTRUCTION, HOUSING, AND MAINTENANCE OF A NATURAL GAS PIPELINE; AND DIRECTING THAT THE REVISED EASEMENT BE LOCATED ON CITY OWNED PROPERTY AT GLENVIEW DRIVE, ATLANTA IN LAND LOT 249 OF THE 14TH DISTRICT, FULTON COUNTY, GEORGIA; AND AUTHORIZING THAT THE CITY ACCEPT A PAYMENT OF \$800 FROM GEORGIA POWER COMPANY IN EXCHANGE FOR RECEIVING THE EASEMENT, WHERE SAID FUNDS SHALL BE DEPOSITED INTO \_\_\_\_\_; AND FOR OTHER PURPOSES.

### B. To be completed by the department:

### 1. Please provide a summary of the purpose of this legislation (Justification Statement).

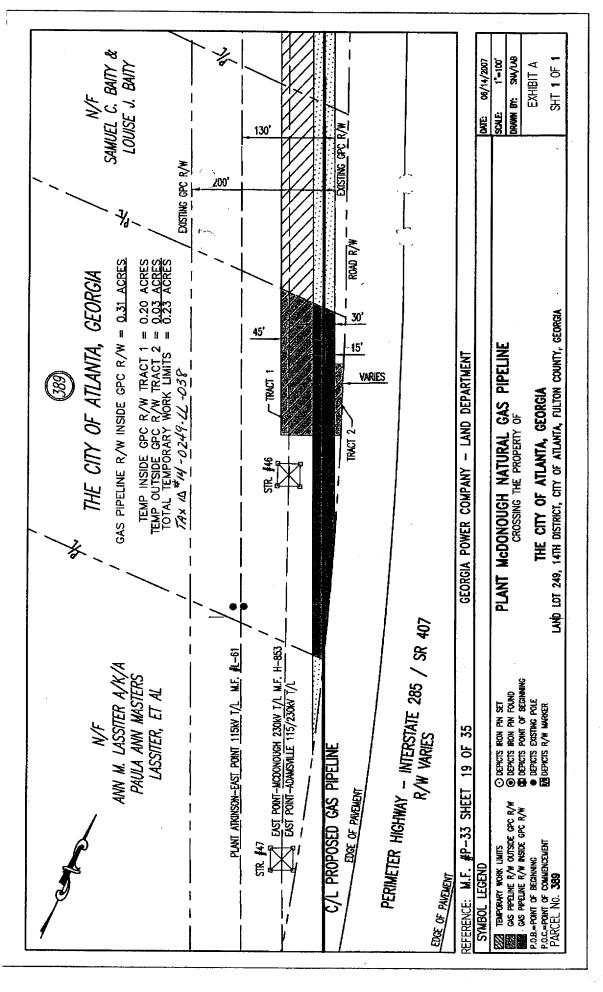
To provide a revised easement to Georgia Power for an underground, natural gas pipeline where Georgia Power already maintains a power line transmission easement.

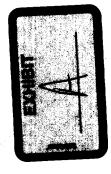
### 2. Please provide background information regarding this legislation.

The Georgia Public Service Commission has approved a Georgia Power project that will replace two coal-fired generating units with three natural gas-fired units, projected to result in a five-fold increase in available electric energy with less greenhouse emissions than current levels. The proposed easement will house a 30-inch diameter natural gas pipeline.

3. <u>If A</u> j	oplicable/Known:
(a)	Contract Type (e.g. Professional Services, Construction Agreement, etc):
(b)	Source Selection:
(c)	Bids/Proposals Due:
(d)	Invitations Issued:
(e)	Number of Bids:
(f)	Proposals Received:
(g)	Bidders/Proponents:
(h)	Term of Contract: Permanent (easement)
4. Fund	Account Center:
5. Sour	ce of Funds:
6. Fisc	al Impact:
7 Meth	ad of Cast Pacayany

This Legislative Request Form Was Prepared By:





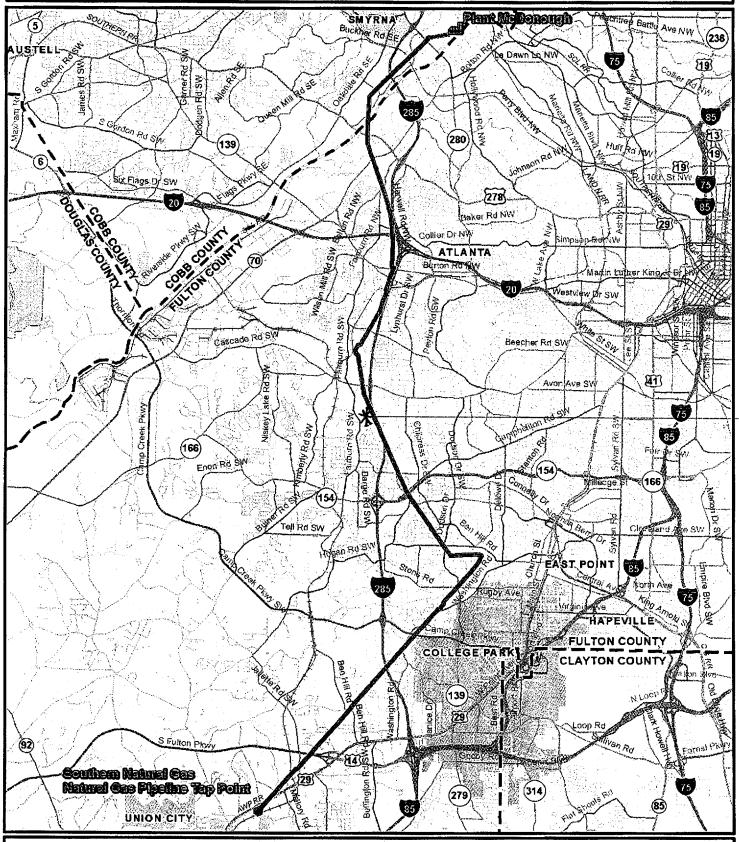
NEW EASEMENT ANALYSIS	
Permanent Easement for Gas Pipeline	
Size (SF)	13,500
Price per SF	\$0.50
Total Unencumbered Value	\$6,750 \$6,750 20% \$1,350  Transmission le alseady in pl
% of Fee Remaing From Existing Easement	: 20% } wants wo pl
Total Current Encumbered Value	\$1,350
% of Remaining Fee Required for Proposed Easement	50%
Total Permanent Pipeline Easement	\$675
Rounded To	\$700
Cemporary Easements	
Size (SF)	10,000
Price per SF	\$0.50
Total	\$5,000
% of Fee Remaing From Existing Easement	20%
Total	\$1,000
Rental Rate	10%
Total Value - Temporary Easement:	\$100
Rounded To	\$100
otal Easement Value	\$800

### DAMAGE TO REMAINDER

Due to the already restricted potential of the subject of which 50% is flood plain and 50% is encumbered by a power line easement, it is our opinion that that there are no damages to the remainder.



## Plant M Donough Natural Ga Pipeline



About 95 percent of the pipeline route will be within an existing Georgia Power electric line right-of-way.







Name of Line		PLANT 1	MCDONOUGI	H NATURAL	GAS	PIPEL	INE	
No 7606								
Parcel No	389	Account No	69596-C	07381-0-	0-340	10220		
Letter File	6-3604	Deed File	15425	Map B	ile	P-33		
State of Ge	orgia		EAS	EMEN	A T	GRE	EMEN	T
Fulton	C	ounty						
For and	in conside	eration of the	sum of					
			1 00/100	*****	****	****	****	Dollars
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****** \$ 10.00	********* in	Ten and	i 00/100 ******* Georgia	Power Con	pany	, A Ge	orgia co	
******* \$ 10.00 (hereinafter	in referred t	Ten and **********************************	i 00/100 ****** Georgia   Power, "	Power Com	pany rm sl	, A Geo	orgia co	orporation uccessors
******* \$ 10.00 (hereinafter	in referred t	Ten and ********** hand paid by o as "Georgia pt and suffic	i 00/100 ****** Georgia   Power, "	Power Com	pany rm sl	, A Geo	orgia co	orporation uccessors
******** \$ 10.00 (hereinafter and assigns), The City of	in referred t the recei	Ten and ********* hand paid by o as "Georgia pt and suffice eorgia	Georgia Power, "iency of	Power Con which te which ar	mpany rm sl	, A Geo	orgia conclude schowled	orporation uccessors
******** \$ 10.00 (hereinafter and assigns), The City of (hereinafter	in referred t the recei	Ten and ********** hand paid by o as "Georgia pt and suffic	Georgia Power, "iency of	Power Com which te which ar term sha	apany rm sh e hen	, A Geo	orgia conclude schowled	orporation uccessors

Grantor does hereby grant to Georgia Power the rights to, from time to time, construct, operate, maintain, renew and rebuild a gas pipe line or pipe lines, main or mains, regulators and appurtenances (hereinafter referred to collectively as the "Gas Facilities") in, under, over, across and through a strip of land (hereinafter referred to as the "Premises") shown on Exhibit "A," which is attached hereto and made a part hereof by reference, for the purpose of transporting natural and manufactured gas in, under, over, across and through the Premises. Grantor does hereby further grant to Georgia Power the free right of ingress and egress to and from the Premises and the Gas Facilities, together with a temporary construction easement within the area or areas, if any, shown as "Temporary Work Limits" on Exhibit "A" hereto, and the right to lay additional pipe line or lines, main or mains, regulators and appurtenances thereto, whenever and as often as Georgia Power shall elect in, under, over, across and through the Premises.

The Premises are shown on a plat made by or for Georgia Power (such plat being on file in Georgia Power's Land Department) and are described as follows:

All that tract or parcel of land lying and being in Land Lot 231, 14th District, Fulton County, Georgia, and being more particularly described as a strip of land, said strip being shown on Exhibit "A," which is attached hereto and incorporated herein by reference.

Georgia Power shall restore all right of way and construction areas to as near as possible their original condition and contour. Georgia Power shall have the right to clear and keep clear all trees, undergrowth, refuse, debris and other obstructions from the Premises. Grantor shall not build, construct or create any buildings or other structures on the Premises, nor shall Grantor perform any filling or grading or any other activity on the Premises that may in the opinion of Georgia Power interfere with the exercise by Georgia Power of the rights, privileges, easements and interests herein granted.

Release and Indemnification: To the fullest extent permitted by law, Georgia Power agrees that Grantor shall not be liable to Georgia Power for any damages, costs, expenses, liability to third parties, including but not limited to governmental agencies, or for any liabilities or claims of any nature whatsoever, including but not limited to consequential damages, arising out of the construction, operation, maintenance, renewal and rebuilding of Gas Facilities and use of the Premises. To the fullest extent permitted by Law, Georgia Power hereby releases and agrees to defend, indemnify and hold harmless Grantor, its agents, subsidiaries, successors, and assigns from and against any and all direct or indirect demands, claims, payments, obligations, actions or causes of action, losses, damages, penalties, fines, liabilities, costs and expenses, including without limitation, all loss of and damage to any property whatsoever, and the loss of or interference with any use or service thereof, all loss and damage arising from any injury or claim of injury to, or death of, any person, to the extent arising from or related to its use of the Premises or Georgia Power's breach of any provision of this Easement Agreement. release and indemnification shall survive the termination or cancellation of this Easement Agreement.

Use of Premises and Compliance with Environmental Laws: Georgia Power agrees that it and its heirs, successors, successors-in-title, successors-ininterest, legal representatives and assigns shall construct, operate, maintain, renew, and rebuild its Gas Facilities at the Premises and otherwise use the Premises in an expeditious, safe and diligent manner in accordance with all laws applicable to Georgia Power, including but not limited to Environmental Laws applicable to Georgia Power. Environmental Laws are defined as all codes, laws (including, without limitation, common law), ordinances, regulations, reporting or licensing requirements, rules, or statutes relating to pollution or protection of human health or the environment (including ambient air, surface water, ground water, land surface, or subsurface strata), including, without limitation (i) the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq. ("CERCLA"); (ii) the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., ("RCRA"); (iii) the Emergency Planning and Community Right to Know Act (42 U.S.C. §\$11001 et seq.); (iv) the Clean Air Act (42 U.S.C. §§ 7401 et seq.); (v) the Clean Water Act (33 U.S.C. §§ 1251 et seq.); (vi) the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.); (vii) the Hazardous Materials Transportation Act (49 U.S.C. §§ 5101 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. §§ 136 et seq.); (ix) the Safe Drinking Water Act (41 U.S.C. §§300f et seq.); "(x) any state, county, municipal or local statutes, laws or ordinances, if applicable to

Georgia Power, similar or analogous to the federal statutes listed in parts (i) - (ix) of this subparagraph, including, but not limited to, the Georgia Air Quality Act, O.C.G.A. §§ 12-9-1 et seq., the Georgia Solid Waste Management Act, O.C.G.A. §§ 12-8-20 et seq., the Georgia Hazardous Waste Management Act, O.C.G.A. §§ 12-8-60 et seq., the Georgia Hazardous Sites Response Act, O.C.G.A. §\$ 12-8-90 et seq., the Georgia Water Quality Control Act, O.C.G.A. §\$ 12-5-20 et seq., Oil or Hazardous Material Spills or Releases statutes, including but not limited to O.C.G.A. §§ 12-14-1 et seq., and the Georgia Underground Storage Tank Act, O.C.G.A. §§ 12-13-1 et seq.,", (xi) any amendments to the statutes, laws or ordinances, if applicable to Georgia Power, listed in parts (i) - (x) of this subparagraph, regardless of whether in existence on the date hereof, (xii) any rules, regulations, guidelines, directives, orders or the like adopted pursuant to, implementing, or issued under the authority of the statutes, laws, ordinances and amendments, if applicable to Georgia Power, listed in parts (i) - (xi) of this subparagraph; and (xiii) any other law, statute, ordinance, amendment, rule, regulation, guideline, directive, order or the like, if applicable to Georgia Power, in effect now or in the future relating to environmental, health or safety matters.

Georgia Power is solely responsible for Disposition of Waste: containerizing, storing, handling and disposing of any substances and wastes generated from the construction, operation, maintenance, renewal and rebuilding of Gas Facilities and Georgia Power's use of the Premises, in accordance with all federal, state and local laws, ordinances, rules, and regulations applicable to Georgia Power, including but not limited to Environmental Laws applicable to Georgia Power. No storage, temporary or otherwise, of such substances and wastes shall occur on the Premises. Notwithstanding anything in this Easement Agreement to the contrary, as between the Grantor and Georgia Power, Georgia Power shall be deemed the generator under federal, state and local laws, ordinances, rules, and regulations applicable to Georgia Power of all substances and wastes generated from construction, operation, maintenance, renewal and rebuilding of Gas Facilities or other use of the Premises by Georgia Power and Georgia Power agrees to represent to all third parties that it is the generator of all such substances and wastes generated from the construction, operation, maintenance, renewal and rebuilding of the Gas Facilities.

<u>Utilities</u>: Georgia Power is responsible for the identification and avoidance of any and all utilities or structures on the Premises, and any damages related thereto that may be caused by Georgia Power.

Grantor expressly grants to Georgia Power the right to take any action, whether at law or in equity, and whether by injunction, ejectment or other means, to prevent the construction, or after erection thereof to cause the removal, of any building or other structure(s) located on the Premises, regardless of whether the offending party is Grantor or not. Grantor will notify Georgia Power in the event Grantor contracts with a third party who owns, as a result thereof, any buildings or other structures located on the Premises. Grantor acknowledges and agrees that the foregoing rights described

pipelineRW.doc

in this paragraph are necessary for the safe and proper exercise and use of the rights, privileges, easements and interests herein granted to Georgia Power.

The Grantor has the right to use the Premises for any other purposes not inconsistent with the rights hereby granted, provided such use shall not injure or interfere with the proper operation, maintenance, repair, or inspection of, or extensions or additions to, the Gas Facilities or the electric transmission and distribution facilities. Fences (which shall not exceed eight (8) feet in height and shall neither obstruct nor otherwise interfere with any of the rights granted to Georgia Power hereby) are permitted as is landscaping, provided that plants and trees must not reach a mature height of greater than four (4) feet within the Premises and fifteen (15) feet within the balance of the transmission line easement. The Undersigned shall be allowed to install—landscaping, driveways, and parking lots, ("encroachments") provided the proposed location of and plans for the said encroachments shall be subject to review and approval by the appropriate official of Georgia Power, which approval shall not be unreasonably withheld, delayed or conditioned.

The rights and easements herein granted to Georgia Power may be assigned, in whole or in part, or the right to the exercise of the same may be granted or assigned, in whole or in part, by Georgia Power to any person, persons, entity or entities, without the consent of Grantor. Additionally, and without limiting the foregoing, Grantor agrees that the rights and easements herein granted, and the exercise thereof, may be granted or assigned, without the consent of Grantor, in equal or unequal undivided interests to any person, persons, entity or entities; and in connection therewith, Georgia Power may reserve, without the consent of Grantor, unto Georgia Power an equal or unequal undivided interest in the rights and easements herein granted. Any person, persons, entity or entities acquiring, directly or indirectly, from Georgia Power any of the rights and easements herein granted, or any interest therein, may further grant or assign, in whole or in part, such rights and easements, or any interest therein, without the consent of Grantor. The rights granted in this paragraph are subject to the requirement that Grantor be provided notice not less than thirty (30) days in advance of any such assignment, grant or reservation. Georgia Power agrees that it will obtain the express agreement of any assignee of Georgia Power or sub grantee of Georgia Power to assume the obligations and covenants between Georgia Power and the Grantor in the easement.

The terms and conditions hereof shall be binding upon, and inure to the benefit of Grantor and Georgia Power and their respective heirs, successors, successors-in-title, successors-in-interest, legal representatives and assigns. Because Georgia Power currently has one or more easements pertaining in whole or in part to the Premises, the provisions of such other easement(s) and this Easement Agreement shall be cumulative; provided however, that in the event of any conflict between the terms of this Easement Agreement and the terms of any other easement(s) with respect to the subject matter of this Easement Agreement, the terms of this Easement Agreement shall control. Nothing herein shall replace, diminish or alter in any way the rights, privileges, easements and interests previously acquired by Georgia Power for its electric transmission lines and facilities within the Premises.

Parcel	389	Name	of L	ine	PLANT	MCDONOUGH	NATURAL	GAS	PIPELINE
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TO HAVE AND TO HOLD the easement in the Premises perpetually unto Georgia Power, its successors and assigns. Grantor and Grantor's heirs, executors, administrators or assigns shall warrant and forever defend the title to the rights, privileges, easements and interests granted herein to Georgia Power, its successors and assigns against the claims of all persons whomsoever.

						MCDONOUGH			PIPELINE	 
IN	WITNESS	WHER	EOF	, the	Unders		_ hereunt	to s	et	
-	sealed a resence		liv	ered		The City	of Atlan	ta,	Georgia	
Witness										 (SEAL)
Notary P	ublic									

Тау	Digest	2007	100	
Tax	Digest	12001	\$26	

Tax Digest 2007 Parcel Id Number 14 -0249- LL-038-3 **Property Address** GLEN VIEW DR SW Owner Name CITY OF ATLANTA 55 TRINITY AVE S- 1790 ATLANTA GA 3030 Mailing Address

Tax District 05 (Atlanta) Market Value \$ 69,800 Assessment \$ 27,920

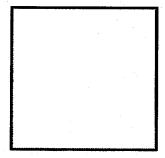
City of Atlanta Exemption Code **Fulton County Exemption Code** 

Land Assessment \$ 27,920 Improvement Assessment \$0 Land Size (acres) 6.010 **Property Class** 600 Landuse Class E1

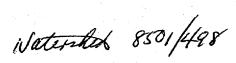
### More info from www.fultonassessor.org



of property in Fulton County



Information provided by the Fulton County Board of Assessors



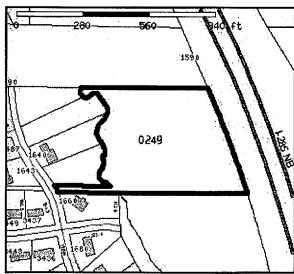




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560 Thornton Road Suite 108 Lithia Springs, Georgia 30122



October 11, 2007

Adam L. Smith Chief Procurement Officer Department of Procurement Suite 1790 55 Trinity Avenue, S.W. Atlanta, Georgia 30303

Reference:

Plant McDonough Natural Gas Pipeline Georgia Power Company Project No. 7606 Georgia Power Company Parcel No. 389

Glen View Drive, SW/Tax ID No. 14-0249-LL-038-3

#### Dear Mr. Smith:

On September 4, 2007, Georgia Power received approval from the Georgia Public Service Commission to move forward with the Plant McDonough Combined-Cycle Project. This project, located inside I-285 in Cobb County, will ultimately retire two coal-fired generating units and replace them with three natural gas-fired units. The generating capacity of the new plant will increase from approximately 500 megaWatts to over 2500 megaWatts by the end of 2012. From an environmental viewpoint, the new plant will emit significantly <u>less</u> greenhouse emissions than current levels. A five-fold increase in electric energy with significantly reduced emissions will greatly benefit the City of Atlanta and all of north Georgia.

To supply the fuel needed for the plant, Georgia Power must build a 30-inch natural gas pipeline. About 95 percent of the 19-mile route of this pipeline is located within an existing electric transmission line corridor, originating just north of Union City and ending at Plant McDonough in Cobb County. Current Georgia Power easements along the transmission line corridor are for above-ground, electric lines only. Therefore, we must acquire underground easements along the route, mostly located inside current easements, to construct the pipeline. To date, Georgia Power has acquired about 75 percent of the needed easements in just seven months.

Georgia Power requests that the Department of Procurement revise the existing transmission easement to include an easement for the construction of the natural gas pipeline. We have obtained the services of Integra Realty Resources IIRR) an approved appraiser by the City of Atlanta, to perform an appraisal on the subject parcel. The fair market value offered by Georgia Power is \$800. Enclosed you will find information



regarding the project, a plan sheet locating the parcel, a title report, easement, plat and compensation offer.

Should you have any questions, please feel free to contact me at 404-506-4961.

Best Regards,

Stephanie S. Chaape

Land Agent IV

cc: Willene Lawson-James, Real Estate Manager

Dorsey Walker, Assistant to Metro East Region Manager

Rick Wells, Land Project Manager

File

### Pipeline Q and A

Why is Georgia Power installing a gas pipeline?

Installation of a 19-mile gas pipeline, of which 95% will be located within Georgia Power's existing transmission line route, will serve as a means of transporting gas to the three combined-cycle units at Plant McDonough from the Southern Natural Gas system north of Union City, Georgia.

Is there enough natural gas available to operate the CC units?

In the event natural gas supply is limited, once the gas pipeline is operational, an oil backup and supply system will be incorporated into the facility plan.

Other than land disturbances, will the pipeline cross a body of water?

Yes. The proposed route for the pipeline to Plant McDonough will cross the Chattahoochee River and several other small creeks. Environmental, cost, design and safety issues associated with constructing and building the pipeline will be coordinated with state and environmental agencies and the Army Corps of Engineers.

Are there any other pipelines that cross the Chattahoochee River?

Yes. Georgia Power currently owns a natural gas pipeline that is installed under the Chattahoochee River in order to provide natural gas to Plant Wansley. Additionally, the Southern Natural Gas interstate gas pipeline system crosses the Chattahoochee River in 14 places.

What technology will be used to bury the pipeline under the Chattahoochee River?

The technology used to cross under the river is referred to as horizontal directional drilling. The drilling entry and exit points will be more than 1,000 feet from the river bank.

How far below the Chattahoochee River will the pipeline be buried?

While the design for the river crossing has not been completed, the Corps typically requires a drilling depth of at least 25 feet below the river's bed. All engineering design and installation of this crossing will comply with permit requirements. In addition, the pipeline will probably be installed deeper than required by the Corps of Engineers in order to provide additional separation between the bottom of the river and the path of the pipeline bore.

Does Georgia Power own other pipelines in the state?

Georgia Power currently owns three natural gas pipelines in Georgia that serve three natural gas-fueled plants. In addition, other affiliates of Southern Company own one natural gas pipeline in Georgia and three natural gas pipelines in other states. All of these pipelines serve natural gas-fueled plants.

Are the natural gas pipelines safe?

Pipelines are operated under a variety of federal and state regulations and industry standards intended to ensure public and environmental safety and health. Such regulations address all aspects of pipeline operation and maintenance, including where they are built, how they are built, and how they are tested. Natural gas pipelines have been a part of Georgia's history throughout the 1900s. Southern Natural Gas has been safely operating large natural gas lines in Georgia since 1930 and currently operates over 2,200 miles of natural gas lines in the state. Throughout its history, Southern Natural Gas has operated its pipeline system safely and reliably and has never caused an injury or fatality to the general public. The company owns 14 lines that cross the Chattahoochee River, and other lines that cross 13 other rivers in Georgia.

Southern Company also owns seven large gas pipelines that serve generating plants in Georgia, Alabama, and Mississippi. Southern Company contracts with other pipeline operators to maintain and service these lines. Like Southern Natural Gas, Southern Company's large natural gas pipelines have never caused an injury or fatality to a member of the public or residents of property where the company's pipelines are located.

## How can residents tell where a pipeline is located and what can they do to keep natural gas pipelines safe?

Since pipelines are usually buried underground, line markers and warning signs are used to indicate their approximate location along the pipeline route. Residents need to be aware of the presence of these signs in their communities. Anyone planning to dig, especially in an area that appears to be a pipeline right-of-way or where the presence of a pipeline is suspected, should adhere to the "Call before You Dig" law and call the Utilities Protection Center (UPC) at 1-800-282-7411, or in Atlanta 770-623-4344 to request underground locate service.

### Is it possible for the pipeline to leak or rupture?

Many leak detection systems and methods are used in the operation of pipelines, which include monitoring instruments that detect conditions such as a drop in pressure or a change in the flow rate that might indicate a rupture. Also, natural gas pipelines are frequently inspected by foot, by car or from aircraft. Leaks rarely occur; however, when they do, it is generally a result of someone digging near a pipeline without first contacting their local Utilities Protection Center.

If approved, when will pipeline construction begin and when will the line be operational? Pipeline construction is expected to begin in Spring 2009, with the gas line becoming operational by Summer 2010.

### Aesthetically, how will affected property look after the pipeline is installed?

Following construction and installation of the pipeline, Georgia Power expects that any affected property will look the same prior to any property disturbances. Our goal is to restore communities back to their normal appearance.

### How much property will be required?

A 30-foot strip within Georgia Power's existing electric line right-of-way will be required to operate and maintain the pipeline.

# Approximately how many residential/business properties will be disturbed during the installation process?

There are approximately 330 properties along the route. Of these, approximately 210 are residential lots.

### Who will the company contract to handle the installation of the pipeline?

Southern Company has contracted with Mustang Engineering to perform detailed engineering design of the pipeline. In 2008, the company will contract with a qualified, experienced pipeline installation contractor to construct and install the pipeline.

#### Where on the existing right-of-way will the pipeline be installed?

In most locations, the pipeline will be installed close to the outside edge of existing electric line right-of-way.

How will vegetation on the right-of-way floor be maintained?

Georgia Power will mow the right-of-way annually. Herbicides, like those used by homeowners, will be applied every three years with low-volume backpack sprayers. Herbicide crews are trained to target fast growing plant species that have a potential mature height greater than 15 feet.

How long will landowners be impacted as the pipeline is being installed?

Overall, pipeline construction is anticipated to take about one year. However, in most cases, affected landowners will only be impacted by construction for one to three months. This timeframe will vary based on specific engineering design at each location.

Why did Georgia Power propose this route to install the pipeline versus other locations? The route proposed for this pipeline is the most prudent investment for customers due to challenges with getting access to gas lines coming from alternate locations on the Southern Natural Gas system. Also, this route is least disruptive to the community because 95% of it is within Georgia Power's existing transmission line right-of-way.

Will Georgia Power share the details of the pipeline project with area residents once approved? Georgia Power's pipeline project team met individually with affected property owners to communicate the project details, and also will hold open houses for them April 3-4 in Cobb and Fulton Counties.

Will Georgia Power compensate affected property owners for easement rights?

Property owners whose land includes easement rights for the existing transmission right-of-way will receive additional fair market compensation for the gas pipeline easement. Georgia Power will work with property owners to acquire easement rights for the 5 percent of right of way that will not be located on the existing transmission right-of-way.

How much will the combined cycle plants and the pipeline cost?

The costs of the combined cycle generating units and the pipeline are part of a competitive solicitation process overseen by the Public Service Commission. These costs were competitively bid into this process and are confidential to protect the integrity of the process.

### TAX IMPACT

Who pays the taxes on the right-of-way with an easement agreement?

Landowners pay property taxes on the right-of-way. An easement agreement allows the pipeline to cross a portion of a landowners existing property.

Will there be any local benefits from this pipeline project?

Yes. This pipeline project will help provide environmental benefits to the entire metro Atlanta area. Natural gas is an environmentally friendly fuel for electric power generation. The new natural gas units would provide millions of dollars in economic benefit through jobs and taxes.

Will the pipeline be owned and operated by Georgia Power? If so, what's the tax impact on the counties in which the line runs?

Georgia Power will own the pipeline, however it has not yet been determined who will operate it. Capital investment in the pipeline will result in increased property taxes for the counties in which the line runs. The amount of additional taxes will not be known until Georgia Power files its property tax return with the Georgia Department of Revenue and the county issues tax bills for the appropriate year(s).

### What is the timeline for the project?

### **Project Timeline**

Jan. 2007 – Certification request for three CC units filed in IRP with PSC March 2007 – Pipeline route announced and easement acquisition begins Sept. 2007 – Anticipated approval for construction projects from PSC

Spring 2008 – Plant construction begins
Spring 2009 – Pipeline construction begins
June 2010 -- Pipeline construction completed

Oct. 2010 - Coal Unit 2 retirement

Feb. 2011 – First natural gas unit becomes operational
June 2011 – Second natural gas unit becomes operational

Oct. 2011 - Coal Unit 1 retirement

June 2012 - Third natural gas unit becomes operational